

DIRECTORATE OF INTELLIGENCE

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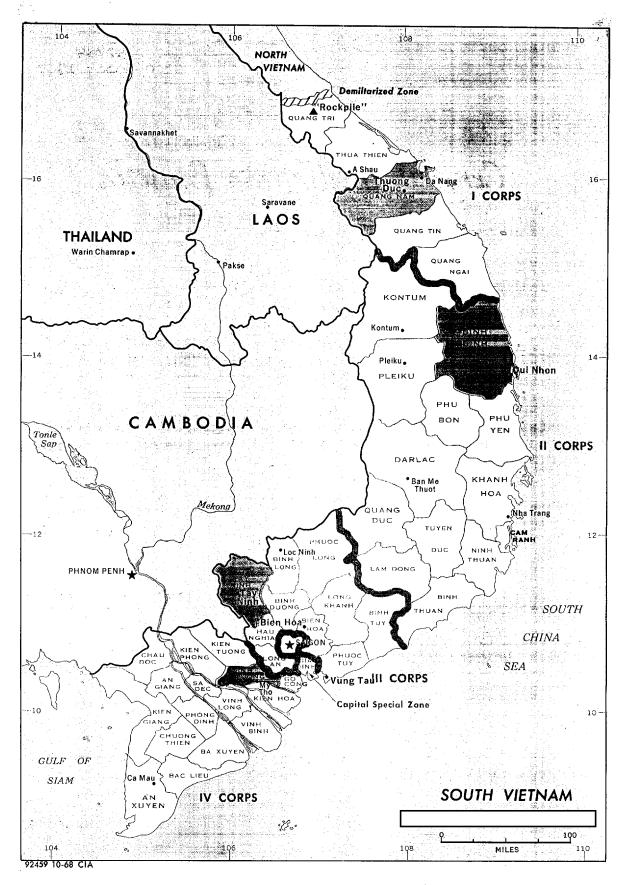
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#### SECRET

#### <u>Vietnam</u>:

South Vietnam: There was little Communist-initiated ground action during the past 24 hours.

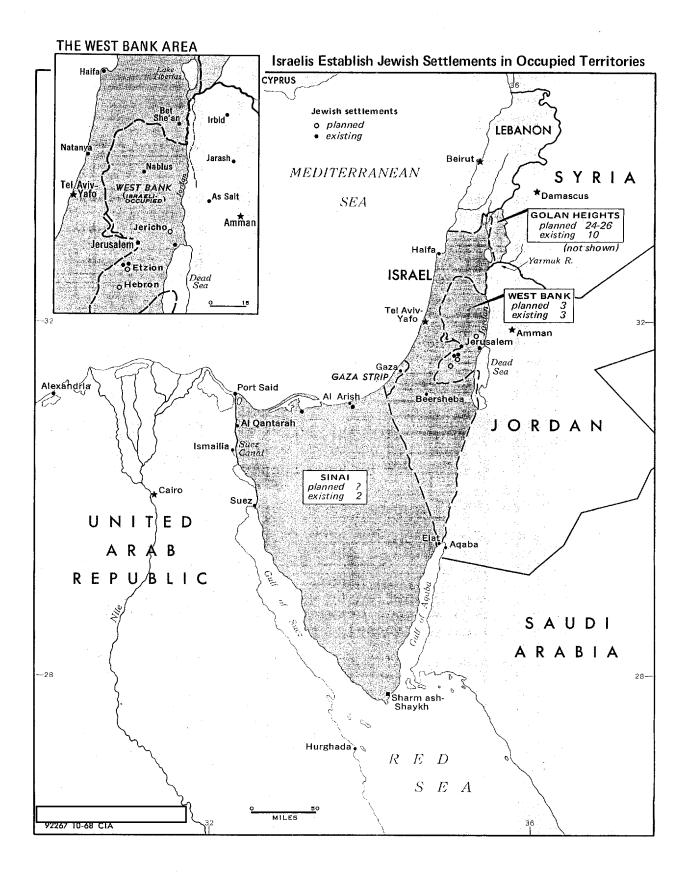
In a major bombardment, however, some 30 rounds of 130-mm. artillery fire hit the military complex at Dong Ha, causing light damage and some casualties. The attack followed other bombardments of major US installations in III Corps and may reflect a renewed emphasis on this type of assault by enemy forces.

Documents recently taken from an allegedly highlevel cadre in the III Corps area suggest that a renewal of fighting might be planned during the first half of November. A similar time frame has been suggested in some reporting from the northern coastal provinces.

Any widespread enemy attacks, however, would almost certainly be accompanied by a return from base areas of a substantial number of the major Communist elements which appear to have been refitting and resupplying since the last phase of offensive operations early this month.

North Vietnam: The growing difficulty in Sino-Vietnamese political relations will almost certainly be aggravated by an incident staged by the Chinese Communists recently in Hanoi. North Vietnamese authorities were compelled to use force in stopping a fracas which developed between Soviet citizens and Chinese Embassy personnel.

Open displays of Sino-Soviet hostility have been extremely rare in Hanoi in the past. Chinese frustration over the growing warmth of relations between the North Vietnamese and the Soviets is apparently growing, however, and Peking is apparently more willing now to actively harass the Soviets and embarrass Hanoi on North Vietnamese territory.



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Israel: Deputy Prime Minister Allon has announced plans to increase the number of Jewish settlements in the occupied Arab territories.

Allon, who is also minister of immigration and absorption, observed on 18 October that more Jewish settlements and urban centers should be put into those new areas which "are vital for Israeli security or of special historical significance for Jews." He said the government plans to establish several new settlements in occupied Jordan. A second "nahal"--an agricultural settlement manned by paramilitary units--would be founded at Etzion, southwest of Jerusalem, and the present one turned into a kibbutz. He also announced plans for a new Jewish town at Hebron and one near Jericho.

The government's stated policy toward the future status of the occupied areas has been that it is willing to withdraw to "secure and recognized boundaries." Israel, however, has as yet been unwilling to delineate specifically what it would regard as "secure boundaries." Since the war in June 1967, Israel has established at least three settlements on the West Bank of the Jordan, ten in the Golan Heights of Syria, and two in Sinai.

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France-Tunisia: A marked improvement in bilateral relations has taken place in the last several months.

Several high-level official visits—including De Gaulle's reception of Tunisia's secretary of state for the presidency this month—have marked the gradual rapprochement. The French parliament's approval of a decree expanding the list of duty—free Tunisian imports and Paris' transfer to Tunisian control of four buildings at Bizerte, the former French naval base in Tunisia, also have helped to symbolize the improvement.

The first important French step toward normalization of relations, badly strained by Tunisia's seizure of French colonists' lands in 1964, took place in September 1967 with the visit of a French cabinet minister to Tunisia and the subsequent renewal of French project aid.

The major factors permitting improved relations probably have been the passage of time and the consequent cooling of De Gaulle's wrath over the nationalization. The deterioration in Franco-Algerian relations and the ineffectiveness of France's policy of dealing harshly with Tunisia were other factors.

Divergent political interests, the small size of the Tunisian market, and the higher priority France attaches to relations with other countries preclude a substantial French economic contribution to Tunisia. France's desire to protect what interests it still has there, however, will probably lead to further modest programs in the commercial, economic, military, and cultural fields.

Afghanistan: King Zahir has decided not to sign into law a bill that would establish political parties in Afghanistan.

Legislative processing of the bill, which had been in the parliamentary mill for over two years, was finally completed last May. Reporting since then has reflected the King's dissatisfaction with the bill and has indicated his intention to delay signing it, perhaps until after the national elections of September 1969.

Zahir informed the US ambassador in Kabul on 12 October of his firm decision not to sign the bill. The decision apparently was prompted not only by Zahir's judgment that the bill was inadequate but also by his belief that formation of political parties at this time would be premature and dangerous for his five-year-old "experiment in democracy."

Extremists of the left and right, who have already begun organizing, would have a clear advantage over the unorganized moderates in the forthcoming election and might also be encouraged to renew the student and labor unrest of last spring. The King apparently hopes that more competent representatives will be elected in September and that the new parliament will draw up a satisfactory bill. All political groups would then have four years to crystallize before facing another national election.

East Germany: The regime has warned intellectuals not to deviate from its strict cultural guidelines.

On 18 October, party leader Ulbricht and Cultural Minister Klaus Gysi made it clear to East German writers and artists that "ideological coexistence" and "decadent bourgeois influence" would not be tolerated. Recent events in Czechoslovakia were the occasion for their statements and for a State Council session which dealt with cultural matters.

Gysi stated that culture is "strategically important" in the world-wide struggle between socialism and capitalism, and went on to score several Czechoslovak, Austrian, Italian, French, and Polish Marxist philosophers who he charged had attempted to "disarm Marxism." In this context he castigated the poet, Wolf Biermann, and the physicist-philosopher, Robert Havemann--two of the more famous dissident intellectuals in East Germany.

The East German leaders also indicated that they expect artists and writers to help in shaping the "socialist community," and to fight against all forms of cultural and ideological coexistence. According to Ulbricht, the basic prerequisite for the literary and artistic solution of problems is "love and unbreakable loyalty" to the GDR.

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Rumania: Bucharest has renewed its ideological offensive against the Warsaw Pact Five.

Party leader Ceausescu, in two recent speeches at Iasi, near the Soviet border, uncompromisingly reaffirmed the determination of his regime and the Rumanian people to defend their independence. He specifically rejected the concept of suprasovereignty advanced in Pravda on 25 September. Instead, he reiterated the Rumanian formula that independence and equality should be recognized even more under socialism than under capitalism. He classed departures from the principles of sovereignty and equality—implicitly by Moscow—as not in the spirit of Marx—ism—Leninism but rather as "deviations."

Ceausescu also made a slighting reference to the limited utility of the Soviet experience for other socialist countries. He claimed that the old methods of leading the Communist movement are a hindrance to the revolutionary struggle, that such tactics are doomed to failure, and that this has been clear since the dissolution of the Comintern in 1943.

North Korea: Pyongyang apparently is sustaining its border crossing operations at nearly the high rate of September.

Following a lull during the first week of October, 18 infiltrators were killed between 14 and 21 October, more than for any other seven-day period so far this year. Infiltration continues despite the onset of cold weather, when the absence of foliage exposes intruders to better observation by UN forces. Most intruders still appear to be on reconnaissance rather than sabotage or terrorist missions. Last year, reconnaissance activity slacked off in the fall.

The lateness of this year's effort may indicate that the North Koreans have failed to satisfy their reconnaissance objectives. There have been rumors among diplomats in Pyongyang that the North Korean defense minister was becoming impatient with the results of infiltrations so far this year.

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Japan: The most recent ultraleftist student violence has been widely criticized by the Japanese press and public.

The press, which has often been critical of government control measures, has in this instance even endorsed the government's invocation of the antiriot provisions of the penal code, which had not been used since 1952. Over 900 arrests were made throughout Japan, but most of the action occurred in Tokyo. The destruction at a main railroad station in Tokyo, through which jet fuel for US bases is shipped, was so severe that hundreds of thousands of commuters were delayed for hours.

The radical student groups involved are considerably more militant than the Japan Communist Party student organizations. The ultraleftists say that disorders this week are the first wave in their struggle against the US-Japan Security Treaty, which by its terms is subject to review in 1970. The press reaction suggests, however, that their emphasis on violent tactics, used in part to provoke a police reaction, is becoming counterproductive. The police have deliberately restrained themselves in recent encounters with the students, and the spectacle of the radical student excesses has apparently further eroded their already waning popular support.

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Panama: The political situation seems to be calming down following the departure of Arnulfo Arias from the Canal Zone. Some countries have already recognized the military government and others appear ready to follow suit shortly.

Meanwhile, Arias' occupation of the Panamanian Embassy in Washington will probably sharpen concern among junta leaders about the nature of his intentions and activities in the US.

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#### NOTES

Brazil: The US consulate in Sao Paulo has received a warning that other US personnel face the same fate as Army Captain Charles Chandler, who was machine-gunned by terrorists on 12 October. Chandler's death was the latest in a series of terrorist incidents in Sao Paulo this year, including more than 30 bombings of varying seriousness—two of them at US installations. Few of the perpetrators have been apprehended, and extremist groups of both the left and right are capable of carrying out terrorism in Sao Paulo.

Bolivia: President Barrientos claims to have documentary proof that Cuba is once again involved in guerrilla operations in Bolivia. He told the US ambassador on 17 October that troops have been sent into the suspected guerrilla area. Barrientos added, however, that his inability to provide adequate pay and supplies to the armed forces is creating a rift between the military and the government and that some troops are refusing to comply with orders. In requesting US assistance to meet this problem, the President emphasized that without military support he could not remain in office.

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